

EXHIBIT G

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RESERVE AGREEMENT

This agreement (including the schedule attached hereto, "Reserve Agreement") is made and entered into as of April __, 2011 (the "Effective Date") by and among GENESCO, INC., ("Genesco"), and WELLS FARGO MERCHANT SERVICES, L.L.C. and WELLS FARGO BANK, N.A. ("Wells Fargo"). Genesco and Wells Fargo are referred to in this Reserve Agreement as the "Parties."

RECITALS

WHEREAS, Genesco and Wells Fargo entered into an agreement dated as of June 17, 2010 in the form of a Merchant Services Program Guide and Merchant Processing Application (together with any schedules or other documents incorporated therein, the "Merchant Agreement"), pursuant to which Wells Fargo agreed to provide certain payment processing services to Genesco;

WHEREAS, on December 10, 2010, Genesco announced that it had suffered an unauthorized intrusion into a part of the payment processing portion of its computer network (the "Intrusion");

WHEREAS, Wells Fargo has reason to expect that Visa U.S.A. Inc., Visa Inc. and Visa International Service Association (collectively "Visa") and MasterCard International Incorporated ("MasterCard") (Visa and MasterCard may also be referred to individually as a "Card Brand" or collectively as "Card Brands") will impose fines, issuer fraud and operating expense reimbursement assessments, and/or other similar assessments on Wells Fargo under their operating regulations arising out of or related to the Intrusion ("Assessments");

WHEREAS, Genesco acknowledges that it has an obligation under the Merchant Agreement to indemnify Wells Fargo for the amount of any Assessments, whether or not the Assessment in question is valid under the operating regulations of the Card Brand in question or under the relevant applicable law;

WHEREAS, on March 23, 2011, Wells Fargo informed Genesco of its intent to establish a reserve account in regard to the potential Assessments pursuant to Section 24 of the Merchant Services Program Guide funded with settlement funds otherwise due to Genesco (the "Reserve Account");

NOW, THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth, it is hereby agreed by the Parties as follows:

1. Subject only to the agreements of the Parties set forth in this Reserve Agreement, the Merchant Agreement shall remain in full force and effect.

2. To fund the Reserve Account required by Wells Fargo in connection with the Intrusion, Genesco agrees that Wells Fargo may debit Genesco's settlement account \$750,000 on April 25, 2011 and on or about every Monday thereafter until the total funds deposited in the Reserve Account equal \$16,600,000. The Parties acknowledge that if the Reserve Account is

funded by ACH transfer, the ACH request will be initiated every Friday but may not be completed on the same day.

3. In the event Wells Fargo pays any Assessment, Wells Fargo may obtain reimbursement for the amount of such payment from the Reserve Account provided that such payment by Wells Fargo shall be accompanied (either contemporaneously or in reasonably close proximity in time before or after such payment is made) with a statement substantially similar to the following:

“Wells Fargo’s payment of [the Assessment] shall not be deemed to constitute any type of waiver of (or to otherwise prejudice) Wells Fargo’s or Genesco’s right to challenge whether Wells Fargo is legally obligated to pay [the Assessment]. On behalf of Wells Fargo and Genesco, Wells Fargo specifically reserves all rights that it may have to challenge such [Assessment].”

4. If Wells Fargo receives reimbursement from the Card Brand in question of all or a portion of any payment it has made on any Assessment and been reimbursed for by Genesco out of the Reserve Account or otherwise, Wells Fargo shall pay Genesco the amount of such reimbursement within five (5) business days of the date of its receipt of such reimbursement.

5. If as of two years from the date of this Reserve Agreement there is any amount then remaining in the Reserve Account, Wells Fargo shall within five (5) business days of such date return to Genesco any funds that then remain in the Reserve Account.

6. If an Assessment is paid by Wells Fargo, and some or all of the amount of such assessment exceeds the total amount then remaining in the Reserve Account, Wells Fargo may obtain reimbursement from the Reserve Account for the amount of such Assessment(s) that then remains in the Reserve Account, and Genesco shall pay Wells Fargo the full amount by which such Assessment exceeds the total amount remaining in the Reserve Account within five (5) business days of the date on which such Assessment is paid by Wells Fargo provided that such payment by Wells Fargo shall be accompanied (either contemporaneously or in reasonably close proximity in time before or after such payment is made) with a statement substantially similar to the following:

“Wells Fargo’s payment of [the Assessment] shall not be deemed to constitute any type of waiver of (or to otherwise prejudice) Wells Fargo’s or Genesco’s right to challenge whether Wells Fargo is legally obligated to pay [the Assessment]. On behalf of Wells Fargo and Genesco, Wells Fargo specifically reserves all rights that it may have to challenge such [Assessment].”

7. Wells Fargo represents and warrants to Genesco that Wells Fargo does not know, and has no reason to know, of any agreement by Wells Fargo to waive, or of any action taken by Wells Fargo that otherwise legally prejudices, Wells Fargo’s or Genesco’s right to challenge whether Wells Fargo is legally obligated to pay any Assessment in connection with the Intrusion.

8. Wells Fargo agrees that Wells Fargo will not, by any affirmative agreement or action on its part, waive or otherwise legally prejudice Wells Fargo’s or Genesco’s right to challenge whether Wells Fargo is legally obligated to pay any Assessment. For the avoidance of

doubt, the Parties agree that, provided that Wells Fargo shall not have affirmatively agreed with or otherwise assented to such assertion, Wells Fargo shall not be deemed in breach of this Paragraph 8 merely because (a) a Card Brand unilaterally asserts, verbally or in writing, that Wells Fargo's payment of an Assessment constitutes a settlement or waiver of Wells Fargo's or Genesco's claims; (b) a Card Brand unilaterally asserts that Wells Fargo has previously agreed to waive any such rights, *e.g.*, pursuant to (i) an existing agreement between such Card Brand and Wells Fargo or (ii) any rules or regulations promulgated by such Card Brand; or (c) of any other unilateral Card Brand assertion similar to those described in 7(a) or 7(b).

9. Upon Wells Fargo having been reimbursed by Genesco for the amount of any Assessment out of the Reserve Account or otherwise (a) Wells Fargo shall be deemed to have assigned, transferred, and conveyed to Genesco, to the fullest extent not prohibited under any rules or regulation promulgated by the Card Brands, any and all rights, claims, or causes of actions that Wells Fargo may have against the Card Brand that imposed and collected such Assessment on and from Wells Fargo (including against any person or entity acting on behalf of a Card Brand in their capacity as such) to obtain reimbursement of any portion of such Assessment (the "Claims"), and (b) Genesco shall be deemed to be fully subrogated to the Claims. Nothing in this Agreement is intended as or shall be deemed a release of, a waiver of, or otherwise to prejudice any of the Claims. Wells Fargo represents and warrants to Genesco that Wells Fargo has no knowledge of any rule or regulation promulgated by the Card Brands that prohibits any assignment, transfer, or conveyance to Genesco of any of the Claims.

10. In the event of a conflict between this Reserve Agreement and the Merchant Agreement, this Reserve Agreement will control. To the extent the covenants, agreements, consents, obligations, and activities described in this Reserve Agreement conflict with or breach a provision of the Merchant Agreement, then the Merchant Agreement will be and hereby is amended to render it consistent with this Reserve Agreement and to eliminate the possibility of breach by activities consistent with this Reserve Agreement.


11. This Reserve Agreement shall survive termination or expiration of the Merchant Agreement.

12. To the extent provided herein, this Reserve Agreement is intended to amend the Merchant Agreement and reflects the entire agreement between the Parties with respect to the amendment of the Merchant Agreement. This Reserve Agreement may be amended only by a written agreement signed by the Parties. A party's waiver of a breach of any term or condition of this Reserve Agreement on one occasion shall not be deemed a waiver of any subsequent breach of the same or another term or condition.

[Signatures on following page]

IN WITNESS WHEREOF, the Parties have caused this agreement to be duly executed on the date first written above.

GENESCO, INC.

BY: 
NAME: Roger G. Sisson
TITLE: Sr Vice President

**WELLS FARGO MERCHANT
SERVICES, L.L.C. and WELLS FARGO
BANK, N.A.**

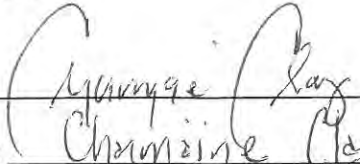
BY: 
NAME: Charmaine Day
TITLE: Senior Vice President

EXHIBIT A

<i>Type of Claim</i>	<i>Amount in USD¹</i>
MasterCard fine for failure to comply with MasterCard's Site Data Protection Program	\$100,000
MasterCard assessment for Account Data Compromise Fraud Recovery per Section 10.2 of the MasterCard Security Rules & Procedures	\$4,800,000
MasterCard assessment for Issuer Operational Reimbursement	\$1,300,000
Sub-total of MasterCard Assessments	\$6,200,000
Visa fine for failure to comply with Visa Cardholder Information Security Program	\$100,000
Visa assessment for Issuer Operational Reimbursement per chapter 8 of the Visa International Operating Regulations	\$1,900,000
Visa assessment for Counterfeit Fraud Recovery per chapter 8 of the Visa International Operating Regulations	\$8,400,000
Sub-total of Visa Assessments	\$10,400,000
Total	\$16,600,000

¹ The figures reflected in this Exhibit A represent Wells Fargo's estimate, to the best of its current information and knowledge, of the amount of Assessments the Card Brands will issue to the Parties in connection with the Intrusion. These figures are estimates only and are intended to be used only in connection with determining an appropriate amount of initial funding for the Reserve Account.